



**Tribal Legislative Breakfast**  
**Gov. Jan Brewer**  
Tuesday, January 19, 2010

Good morning, Tribal leaders and dignitaries -- I-T-C-A leaders -- and your wonderful staff – friends -- and colleagues.

I am honored to be with you.

And, I thank you for participating in the legislative process each and every day.

We need to hear from you.

We need your voices -- your wisdom -- and your solutions.

So, I am especially pleased to see so many of you here today.

As I look around the room today, I see many familiar faces – and -- I see a little skepticism – skepticism because, in the past, Governors stood in front of you and said that everything was just ... peachy keen.

Well, it's not.

I wish it were.

I wish that everything I had to share was good news. But, it isn't.

I promised you, I would always be straight with you, always give you the unvarnished truth, and I have kept that promise.

Let me start on the positive side.

I'm proud of many of the appointments I have made this year.

For example, Jacob Moore, whom I appointed to the State School Board, is now the first Native American to serve as the State School Board President.

He is a great partner to help us address the unique needs of tribal students and students across this State.

I am proud to have signed over the fee patent to return 640 acres of ancestral lands to the Gila River Indian Community – a milestone we celebrated just last week.

I am proud that we have renewed our commitment to assist funding of Dine' College for Navajos and others who seek higher education on reservation.

I am proud that we have loosened what the Attorney General had interpreted as a restriction on tribes' ability to maintain tribal preferences in hiring.

I believe that is your right – and I stated that in an Executive Order I signed in October.

I am proud that Arizona is becoming a leader in the solar industry -- attracting new manufacturing facilities to the state as a result of legislation I signed in June.

I know that tribes also want to attract solar and other sources of renewable energy and I believe that with events like the one you are participating in today, we can create jobs and build a stronger economy.

I thank leaders like those at Fort Mojave who are on the cutting edge of outstanding achievements in renewable energy.

I am also proud of the work we are doing with the Hopi and the Navajo -- as well as most every other tribe here who receives Central Arizona Project Water as we fight for the future of the Navajo Generating Station.

These are merely a handful of examples and certainly they are truths.

But, in times like these, being completely honest means telling the cold, hard, truth.

And while it is not easy to stand before you today with the information I am about to present, I believe you need to know it and I owe it to you to tell you, so you can plan for what is unfolding in these challenging times.

Right here -- right now -- as leaders, we face a state fiscal crisis of unparalleled dimension -- one that will probably touch every single person in this room -- as well as every business -- every family -- every Arizonan.

It's a crisis rooted in the economy and the recession, but other ills have contributed as well.

We can debate how we got here, but we CANNOT remain paralyzed in our efforts to address the situation. We must set aside partisan politics and face the problem head on.

We must accept that we ARE where we ARE.

So here's the TRUTH:

-- Since the start of the recession in December 2007, Arizona's unemployment rate has more than doubled, from 4.3 percent to 8.9 percent.

-- More than two hundred and seventy thousand Arizonans have lost their jobs, and our job growth rate is next-to-last among the 50 states.

-- Economists anticipate that we are four years away from returning to our 2007 peak in employment.

Compared to December 2007, Arizona's retail sales activity is down by nearly 20 percent, home prices have fallen by 42 percent, and construction is off by more than half.

-- The recession and State government's structural deficit -- an institutionalized misalignment of revenues and expenditures --- have combined to devastate the State's finances.

-- Revenues have declined for three consecutive years, and, for Fiscal Year 2010, they are projected to be 34 percent LESS than in FY 2007.

-- While revenues have decreased sharply, we have had to accommodate enrollment growth in our K-12, community college and university systems; extraordinary mandated growth in our Medicaid population; and continued obligations for public safety and general governmental services.

Today, I hope you will understand more about the details of the crisis so you can come face to face with the reality that I have been living and fighting to change for the past months.

We must solve these problems and we must solve them now.

We must respond to this crisis and keep Arizona moving forward. Every Arizonan must understand why this state is suffering.

We ALL need to understand.

I know once you have been updated with most current and accurate information, each of you will be there for Arizona, as you have in the past. Some may find it ironic that I come to tribal leaders and ask for help.

However, it has been my experience that tribes and Native people listen intently, think deeply, and serve proudly when called upon.

I truly believe that you appreciate the inter-connected nature of things.

Because we are interconnected in our shared communities, I hope that when we leave here today, we will be united in one common commitment – to save this state.

I'm now going to turn this over to the Director of my Office of Strategic Planning and Budget, Mr. John Arnold.

I've looked at these figures over and over. I see them in my restless sleep. And it never gets any easier.

As Governor, it is my responsibility under the law to propose a budget that is balanced and that is implementable.

I take that responsibility seriously.

I'm sure everyone in this room is aware that I have called on the Legislature to increase state revenues and I continue to think that is a necessary component of any responsible budget.

But, we still have to reduce spending.

And, to achieve the level of reductions we have to make, it is unavoidable that we take a look at the areas that make up some of the largest components of our spending.

I do not take these reductions lightly, and I understand the very real impacts they will have both on the people who receive services and our communities.

This is tough medicine and no Governor would ever propose this if there were any other way out.

I know that even when Arizona was flush with cash, many of your communities still struggled with high unemployment rates and other challenges.

Many of your members rely on government services and when we cannot assist, those challenges are compounded.

So, as we move forward, I hope everyone here will work with us to address the ways we can best handle these challenges given our economic climate.

I know and respect tribes as governments and as Nations.

I know you are not a collective lot but individual entities with individual goals and priorities.

One size, never fits all. These cuts, however, will hit us all.

I also know from my 28 years of public service in this State that when tribes do work collectively toward a common goal, you are a political force which cannot be ignored.

I have called upon the Legislature to join me in a comprehensive adoption of my budget proposals, or to promptly propose a realistic and responsible alternative.

If they don't want my plan, then they are obligated to offer an alternative that is realistic. And, I will work with them on REALISM -- not SUR-realism.

I've told you about my solutions, but I do want to hear from you.

We can take a couple of questions ...

I know you need to get over to the Legislature, and I have another commitment, as well.

In closing, I know we've provided you with a lot of information, and I know you will need time to digest it, but I ask you to work with me moving forward to address our fiscal situation -- as I know you will -- honestly, responsibly and with regard for Arizona's future.

Please tell your legislators to heed their calling on behalf of the people of Arizona and step forward with clear answers, and concrete solutions to address the current budget deficit.

They must not ignore or further delay the steps necessary to address Arizona's extreme fiscal crisis.

Many of you supported my five point plan last year, and yet legislators were unable to marshal enough votes to support the increase in revenue we knew we needed. And the current situation is even worse.

We need more than just a million dollars here and a million dollars there.

We need significant solutions to help us afford the costs of government and to make sure we are delivering the highest quality services at the lowest possible cost.

You are all experts. You are government leaders who know how government works at all levels. And the state needs you to put that expertise to work.

I always look forward to our time together and if you need to see me and you can't get on my calendar, Katosha Nakai, is always available to work with you and get me the messages I need to get.

Please work with her.

As I told the Legislature last week, history will remember us not so much for what we accomplished, but for what we gave.

We all know certain fundamental truths.

One is that nothing worth having was ever achieved without sacrifice. Another is that doing the right thing almost always means doing the hard thing.

I will always do the right thing. I want to do right by each and every one of you.

I want to advance to the summit. I need the tools for the climb. I sincerely believe that our next century will be greater than our first. We have a clear vision



of the summit ahead and step by step, hand to hand, -- my hand in yours, your hand in mine -- we will conquer it.

Thank you all, and God bless you, and your families, and may God bless Arizona.